

CINCO TELECOM CORP. - ATTACHMENT

ACCOMPANYING STATEMENT EXPLAINING CPNI PROCEDURES FOR 2017

The operating procedures of Cinco Telecom Corp. ("Cinco") ensure compliance with the requirements set forth in section 64.2001 *et seq.* of the Commission's rules protecting Customer Proprietary Network Information (hereinafter "CPNI"). Cinco only offers one category of telecommunications service – international interexchange services – and therefore, any use, disclosure or access to its customers' CPNI falls within 47 C.F.R. §64.2005(a). This rule allows Cinco to use, disclose, or permit access to CPNI for purposes of providing or marketing international services offers among subscribed/purchased service without customer approval. However, Cinco does not use, disclose, or permit access to CPNI in order to market to a customer any service offerings that are within a category of service to which the customer does not already subscribe, unless Cinco has obtained customer approval to do. Pursuant to 47 C.F.R. §64.2007(b), where Cinco uses or discloses a customer's CPNI for the purpose of marketing communications-related services to that customer, an opt-out mechanism is used. An opt-in mechanism is used for use and disclosure of individually identifiable CPNI requiring customer approval.

Cinco offers two kinds of international interexchange services: retail and carrier's carrier service (wholesale transport and private lines). Within Cinco's retail services, two types of services are offered: (1) prepaid calling cards/virtual calling cards (hereinafter "calling cards") and (2) non-interconnected VoIP service. Most of Cinco's international calling cards are sold through third-party vendors. Cinco has no access to these customers' names, addresses, or other identifying information because it has no billing or payment relationship with the customer and does not need any such information to provide the service. As a result, Cinco does not associate call detail information initiated by calling cards sold through third-party vendors to any specific customers. However, if a customer that acquired a calling card through a third-party vendor is able to provide the PIN number associated with the calling card and call detail information to Cinco during a customer-initiated call, then Cinco is permitted to discuss the call detail information requested by the customer. For the international calling cards Cinco sells directly, as well as for its non-interconnected VoIP service, CPNI information and characteristics are only gathered for purposes of processing payments, providing call balance, and otherwise providing the service.

Regarding its international carrier's carrier services, Cinco gathers customer names, addresses,

and other similar information for the ongoing billing and service relationship. This is a completely separate business, however, from its retail services. Any CPNI gathered in connection with the carrier's carrier service is never used, disclosed, or accessed in connection with the calling card services, or vice versa. Cinco does not use CPNI to market any of its carrier's carrier services.

Cinco also takes several steps to discover and protect against attempts to gain unauthorized access to its customers' CPNI, as well as properly authenticate its customers prior to disclosure of call detail information to customers. For the calling cards it sells directly, customers are authenticated through the use of a user identification (ID) and password before they can access any CPNI, and any CPNI exchanged between the Cinco website and its customers is sent and received in encrypted form. In addition, Cinco only discloses CPNI information in a customer-initiated telephone call if the customer can provide all necessary call detail information to address the customer issue. Otherwise, Cinco sends the information through customer's address of record or calls the customer at the telephone number of record to provide call detail information requested by customers.

Regarding its international carrier's carrier services, Cinco concludes a non-disclosure agreement ("NDA") and master services agreement ("MSA") with its customers that protect their confidential information. The NDA specifically commits Cinco to protect from unauthorized disclosure all records or information in written, oral, graphic, machine-readable, or electronic format relating to Cinco's customer's customers, services, products, or business, as well as any other information reasonably understood as confidential. It provides that such information may only be used for purposes of negotiating the MSA, and prohibits disclosure to third parties, except upon written consent from the customer or as is required by law. Cinco may use the information for purposes of negotiating the MSA, and may disclose, on a need-to-know basis, the information to agents and independent contractors who are bound to protect the information from unauthorized use and disclosure under a written agreement. In the MSA, Cinco again commits to protect its customers' confidential information except upon receipt of customer consent or as is required by law. The MSA specifically provides that any personal data, such as contact information, may only be processed or transferred for purposes of fulfilling the terms of the agreement or otherwise providing the service. In addition to these contractual protections, any disclosures of CPNI to Cinco's customers are only made to the customer's dedicated account representative. Regarding call detail/call records, the only non-aggregate information pertaining to the transmission of specific telephone calls to which Cinco has access in connection with its carrier's carrier services

is limited to the called number and duration, and this is not associated with the name, address, or any other identifying information of any ultimate end user. Regardless, Cinco would only disclose such information to its customer's designated representative. Furthermore, Cinco's carrier-customer information is not available online or in a store-front, which further reduces the risk of unauthorized disclosure.

Finally, for all services, Cinco limits the number of employees authorized to access CPNI. These employees access the information only for purposes of and to the extent necessary to provide the service, render bills, and handle any related legal issues. They are trained in the proper handling and use of this information, which is not only protected under the CPNI rules, but is also commercially-sensitive information that Cinco carefully guards for its own business interests. Moreover, every Cinco employee with access to CPNI is trained in the proper handling of CPNI. Cinco has also incorporated the CPNI rules into its agreements with third party customer service agents, and it has introduced procedures and scripts for such customer service agents to use in order to comply with the CPNI rules. Further, the third-party customer service agents are monitored on a regular basis by Cinco's Quality Control Team, which is responsible for ensuring that agents comply with the procedures established by Cinco when handling customer calls, including the procedures to properly handle CPNI rules.

In addition, all new employees are required to sign a Confidential Information and Non-Competition Agreement which provides that employees are to hold in strictest confidence, and not to use or disclose any information related to Cinco's proprietary information (including customer lists and customer information), except as necessary in carrying out their duties for Cinco. Moreover, employees are only authorized to disclose confidential information after written authorization of a company officer. Any employee using, disclosing, or providing access to this information for any other purpose would be subject to discipline, including potential dismissal.